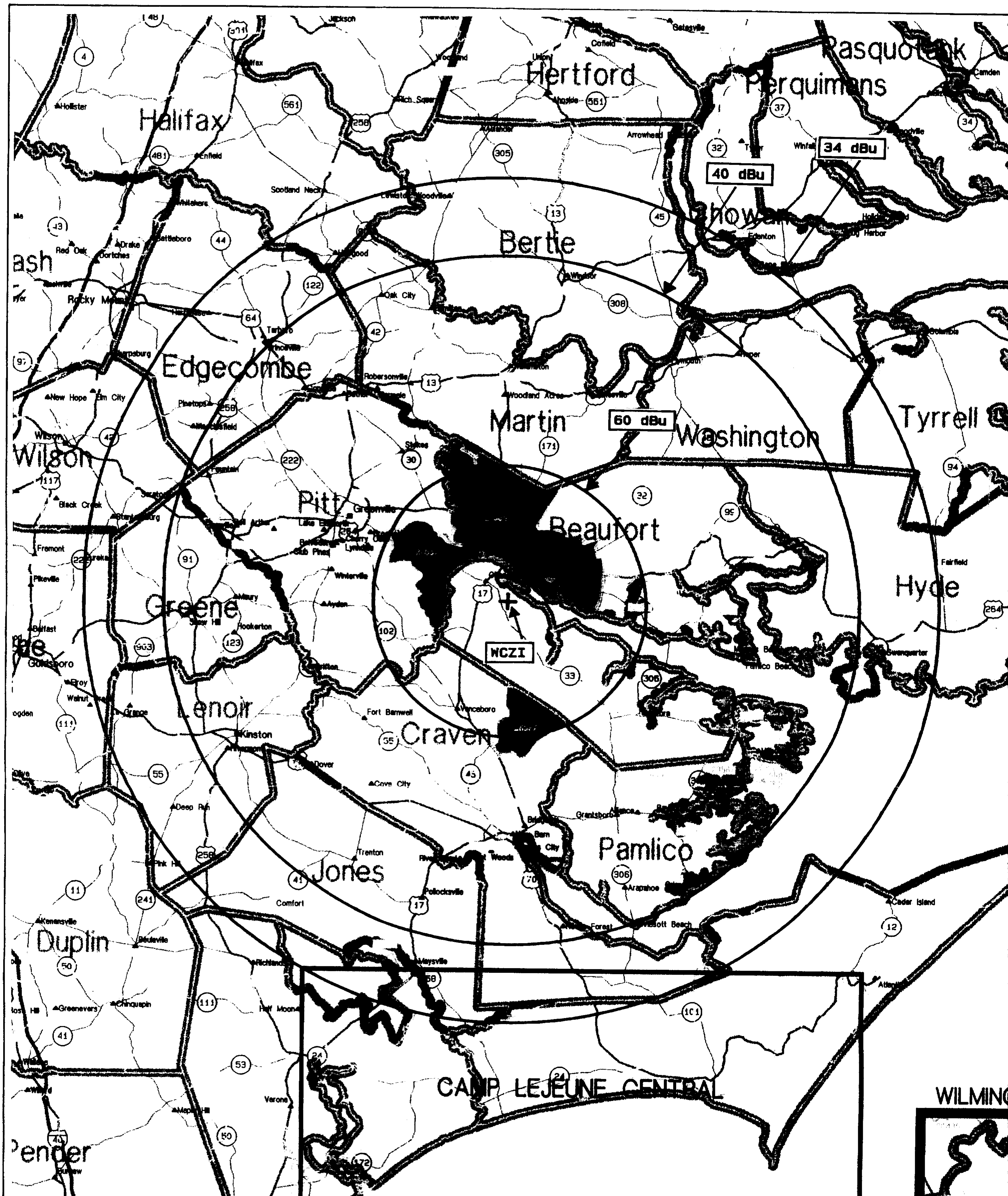
Exhibit A



PREDICTED CONTOURS

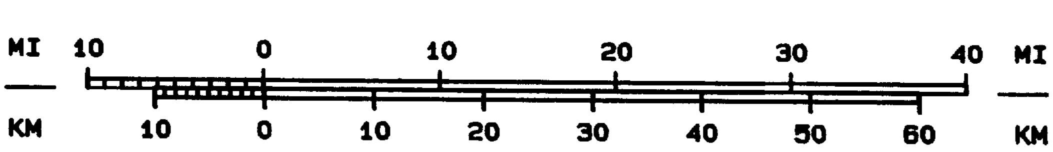
MAP IS A PORTION OF THE INTELLIGENT DIRECT 1999 ZIP CODE MAP.

SEE ATTACHED FOR CITY INSET.

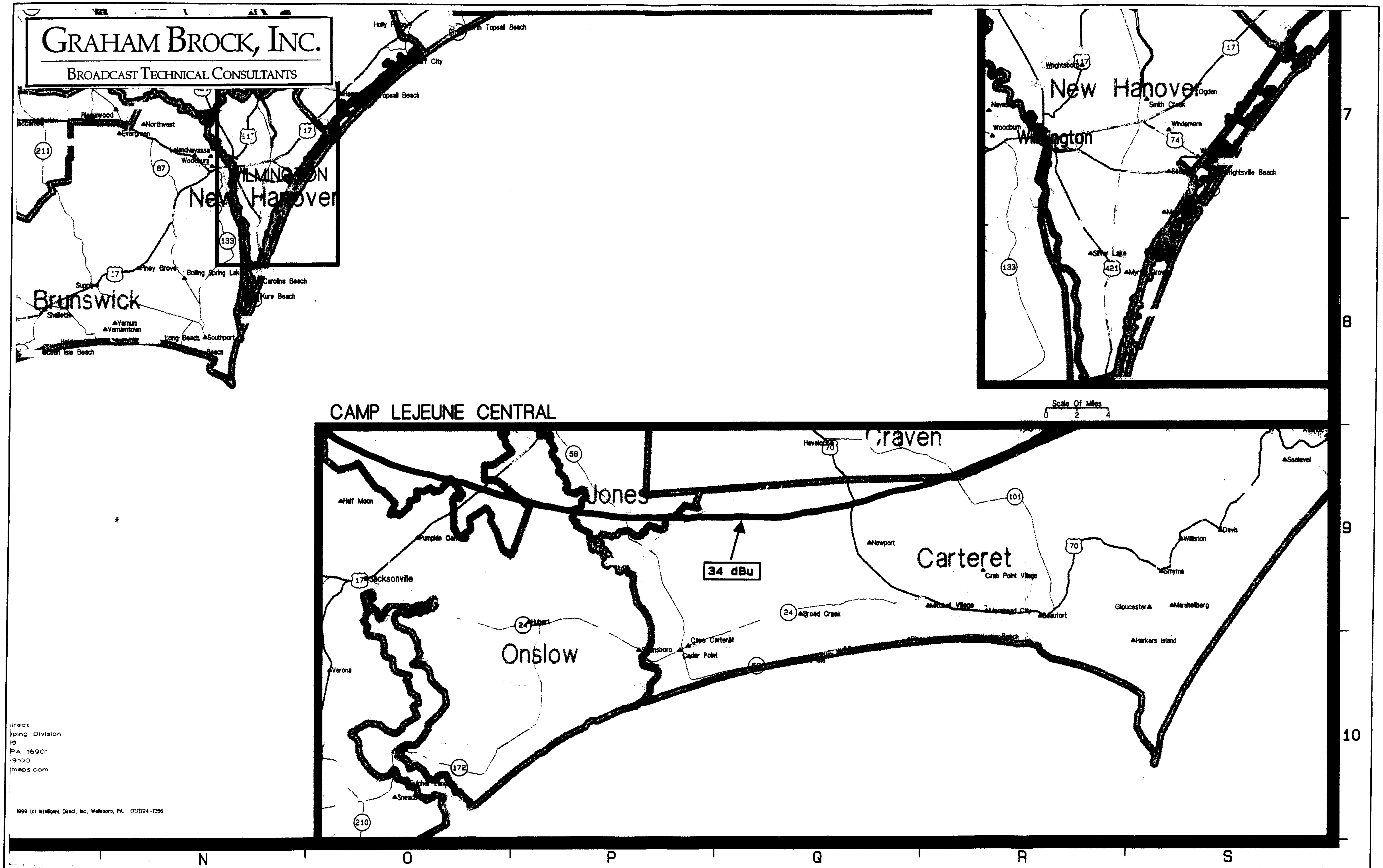
RED AREAS DEPICT THE POTENTIAL LOSS OF EXISTING SERVICE, AS MEASURED BY ARBITRON, TO ACTUAL, SURVEYED LISTENERS LOCATED OUTSIDE THE STATION'S PROTECTED 60 dBu CONTOUR.

COVERAGE MAP
WCZI RADIO STATION
CH 252A - 98.3 MHZ
WASHINGTON, NORTH CAROLINA

July 1999



GRAHAM BROCK, INC.
BROADCAST TECHNICAL CONSULTANTS


GRAHAM BROCK, INC.
BROADCAST TECHNICAL CONSULTANTS
CAMP LEJEUNE CENTRAL
34 dBu
Scale Of Miles
0 2 4
Brunswick
New Hanover
WILMINGTON
Wilmington
Onslow
Jones
Craven
Carteret
Jacksonville
Half Moon
Pumpkin Center
Verona
Hubert
Swansboro
Cape Carteret
Cedar Point
Broad Creek
Newport
Crab Point Village
Mitchell Village
Morehead City
Beaufort
Havelock
Gloucester
Marshallberg
Harkers Island
Smyrna
Williston
Davis
Sealevel
Carolina Beach
Kure Beach
Southport
Long Beach
Boiling Spring Lakes
Piney Grove
Supply
Shallotte
Varnum
Varnamtown
Northwest
Evergreen
Leland
Navassa
Woodburn
Wrightsboro
Smith Creek
Ogden
Windemere
Wrightsville Beach
Silver Lake
Myrtle Grove
Topsail Beach
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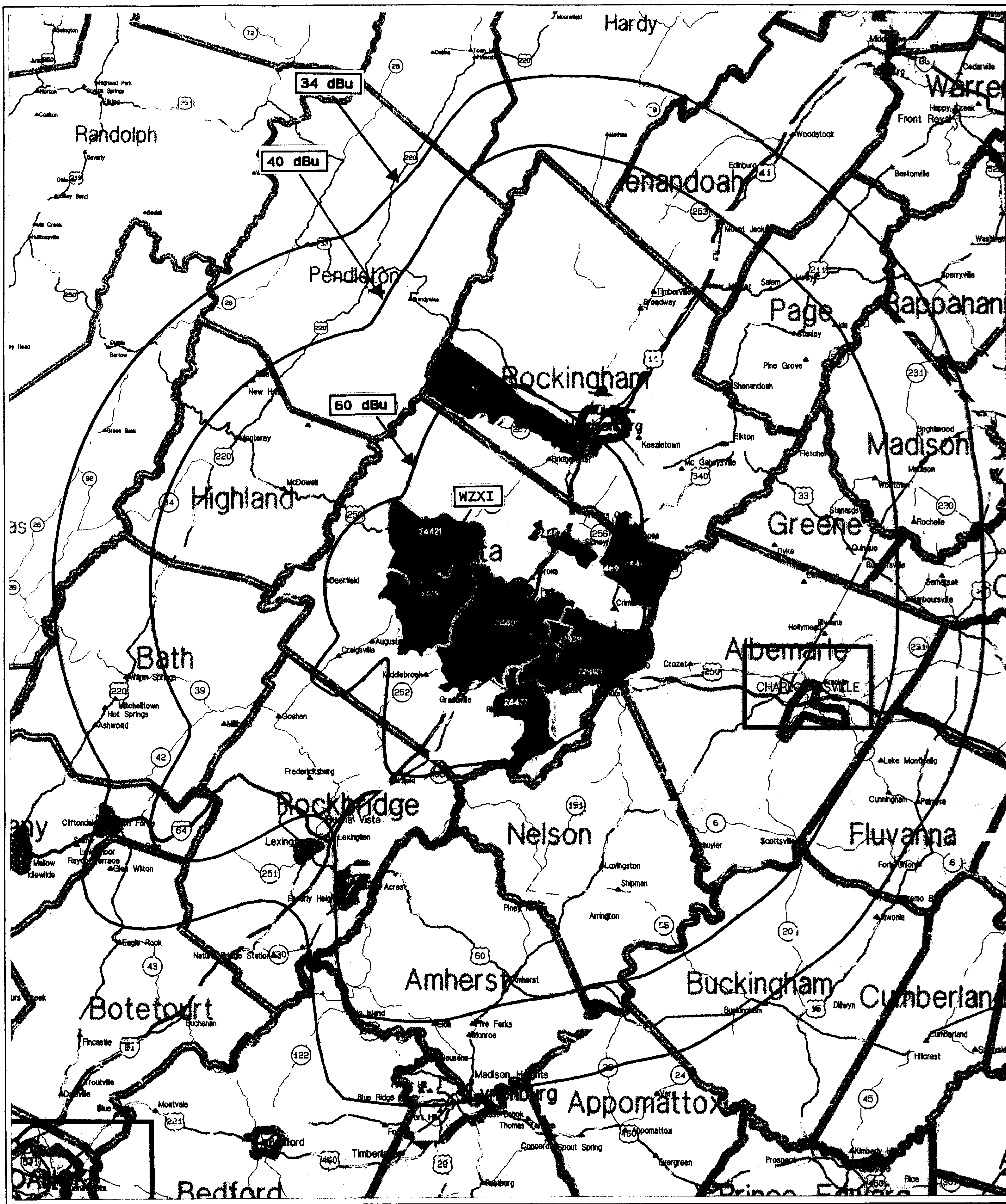
1999 (c) Intelligent Direct, Inc., Wellsboro, PA (717)724-7356



PREDICTED CONTOURS

MAP IS A PORTION OF THE INTELLIGENT DIRECT 1999 ZIP CODE MAP.

SEE ATTACHED FOR CITY INSET.

RED AREAS DEPICT THE POTENTIAL LOSS OF EXISTING SERVICE, AS MEASURED BY ARBITRON, TO ACTUAL, SURVEYED LISTENERS LOCATED OUTSIDE THE STATION'S PROTECTED 60 dBu CONTOUR.

MI 10 0 10 20 30 40 MI

KM 10 0 10 20 30 40 50 60 KM

COVERAGE MAP
WZXI RADIO STATION
CH 238A - 95.5 MHZ
BUFFALO GAP, VIRGINIA

July 1999

GRAHAM BROCK, INC.
BROADCAST TECHNICAL CONSULTANTS

Exhibit B

UNITED STATES GOVERNMENT

MEMORANDUM

DATE: January 29, 1992

REPLY TO
ATTN OF: Roy J. Stewart
Chief, Mass Media Bureau

SUBJECT: Overview of the Radio Industry

TO: Chairman, Commissioners

The attached paper contains an overview of major developments in the radio industry. Also attached is an executive summary highlighting the Bureau's conclusions. This information may be helpful when the Commission begins to consider whether, and if so how, to modify the radio ownership rules.

below market 175 does the market average drop below 14. Moreover, even these indices vastly overstate radio concentration, since radio is but one of many media segments competing to be chosen by consumers and advertisers. At 7% of total advertising dollars, and 18% of local advertising dollars, radio today is a small fragmented fish in a vast media pond.

Turning to diversity, it is important to recall that insofar as content is concerned, with radio we are primarily addressing diversity of music. (The average FM hour contains 86% music, the average AM hour 70%; only 14% of Americans consider radio one of their primary news sources.) The local market data discussed above show that in all but the smallest markets (which cannot support them economically), there are numerous radio outlets today. In addition, there has been an explosion in the formats these stations offer, from 8 in the late 1970s to 50 or more today, as operators follow their economic incentive to capture niche audiences in an ever-more-crowded marketplace. Radio ~~thus offers~~ a diverse set of program options within a broader media market whose own exploding diversity (given cable's growth and the imminence of compression technologies, as well as the continued presence of newspapers, magazines, TV, etc.) has no precedent in our lifetime.

Moreover, there is no reason to believe that increased group ownership will threaten this diversity or quality; indeed, much evidence suggests that groups have used the benefits of scale to enhance both. In television, record evidence from previous Commission proceedings shows that group owners air more news and public affairs programming, and have higher-rated news shows, than individual operators; they also grant editorial autonomy to individual outlets, as evidenced by the frequent endorsement of different candidates seen by jointly-owned outlets in local elections.

As the Commission has previously noted, such findings show that there is no necessary link between diversity of viewpoint or offering and diversity (or smallness) of ownership — a link that must be posited by those who believe that only the atomization of the industry is consistent with traditional Commission values. Indeed, in other media, particularly newspapers, economic scale is precisely what underwrites the quality we cherish in such outlets as the New York Times, the Washington Post, the Wall Street Journal, and many others. It seems ironic that while no one calls for the dismantling of these "hard news" outlets because they are "too big", some still balk at allowing greater scale in radio, which chiefly retails music.

Given the Commission's repeated assertion that ownership rules are not an end in themselves, but rather a means toward assuring that other policy objectives are met, the facts suggest it is time to consider a substantial ~~revision in~~ radio. Toward that end, the Bureau is preparing options to deliver shortly for your consideration.

OVERVIEW OF THE RADIO INDUSTRY

Policy and Rules Division

Mass Media Bureau

January 1992

OVERVIEW OF THE RADIO INDUSTRY

I. Introduction

This paper reviews major developments in the radio industry, focusing on changes over the course of the last decade. It highlights industry size, growth and profit performance; radio programming and usage trends; and the growth of other media. Several attachments provide more detail on selected items.

II. Number of Stations

The number of radio stations has steadily increased.

The number of AM stations increased from 4589 in 1980 to 4988 in 1991, an increase of 9%. The number of FMs increased a dramatic 31% in the same period, from 4599 to 6036. (See attachment 1 for trend 1948-1991).

III. Concentration

The radio industry remains extremely fragmented.

When evaluating proposed mergers, the Department of Justice considers an industry unconcentrated if the post-merger level of concentration results in an Herfindahl-Hirschman Index (HHI), a standard measure of industry concentration, below 1000. (An industry or market of 10 equally-sized firms would have an HHI of 1000.) Based on revenue, the HHI for the radio industry, on a nationwide basis, was 49 in 1990, having declined from 77 in 1980.[1]

The top 10 radio group owners accounted for about 15% of industry revenue in 1980 and again in 1990.[2] (See attachment 2).

At the local level, smaller markets are characterized by fewer stations — and thus higher concentration — than large markets. For example, the average top

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[1] It should be noted that when the Commission adopted its 7 AM station, 7 FM station ownership limits in 1953, one individual or entity could own 0.3% of all AM radio stations and 1.2% of the FM stations. At the time the current rules were adopted in 1983, these percentages were 0.2 and 0.2, respectively. While the absolute number of stations an individual or entity can own has increased with this rule change, the share of the industry that may be controlled by any one entity has decreased. If the rules had been maintained at the same percentage level as 1953, it would be possible for an entity to now own approximately 54 FM stations and 15 AM stations.

[2] The current rules permit an individual or entity to own up to 12 AM and 12 FM radio stations. If two of its stations are minority controlled, however, an individual or entity may own up to 14 AM and 14 FM stations. A number of entities have reached the 12 AM-12 FM station limit. In addition, one minority entity owns 10 AM and 13 FM stations and another minority firm has 12 AM and 14 FM stations.

25 market has 13 television stations and 50 radio stations. It is necessary to reach the 176th market, on average, to drop below 14 radio stations. Markets ranked 176-200 have on average 3 television stations and 9 radio stations. (See attachment 3 for average number of stations by market size and attachment 4 for selected markets).

IV. Radio Stations Are Generally Very Small Businesses

Approximately 50% of all radio stations have 10 or fewer full time employees; 90% have 30 or fewer. (See attachment 5).

An NAB survey indicates that 75% of all radio operations have annual revenues of less than $1 million. The Small Business Administration defines a radio operation with revenues below $3.5 million as a small business.

V. Usage of Radio

Consumption of radio declined throughout the 1980s; radio is decreasingly relied on as a source of news.

Time spent listening to radio decreased throughout the decade, from 3 hours: 24 minutes daily in 1980 to 3 hours: 0 minutes today.[3] Average household usage of TV, in contrast, increased from 6 hours: 44 minutes to 7 hours: 2 minutes during the same period. In 1959, 34% of Americans reported that radio was one of their primary sources of news; in 1980 this figure was 18%; today it stands at 14%.

VI. Shift From AM Listening

AM radio has continued to lose audience share to FM.

The AM-FM audience share split, which began the 1980s at 43-57, moved to 23-77 by 1990.

VII. Growth of Other Media

Alternative media outlets grew explosively in the 1980s, increasing the programming choices available to consumers and the competition faced by radio licensees.

The number of homes subscribing to cable television continues to grow as does the number of cable programming networks and the audience to such programming available only through cable service. Cable penetration (i.e., the number of homes subscribing to cable as a percent of all TV homes) was 25% in 1980, 41% in 1984, and is currently 64%. The number of national basic cable programming networks grew from 34 in 1982 to 80 in 1991. For the 1984-1985 television season, basic cable programming, including superstations, attained a 14% share

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[3] Much of this trend is due to the fact that the "over 50" listening group, which historically has the lowest radio listenership, is now a larger percentage of the U.S. population.

of the total audience. During the 1989-1990 season, that audience share rose to 24%.

National and local spot advertising on cable increased from approximately $8 million in 1980 to $396 million in 1990. Local cable advertising rates are often competitive with rates charged by radio stations, introducing a new element of competition not previously a factor for radio.

Popular music, a mainstay of radio programming, is now available to 55.1 million households from MTV and to 41.8 million households from VH-1.

In 1984, there were 6 cable radio networks distributing 24-hour-a-day programming services to cable systems. Since that time, 9 additional services have begun operation. These services generally offer music formats that cable operators include as part of their basic cable service. The newest cable radio services are three digital networks. While they eventually will have the capability to offer as many as 250 channels, each network currently offers about 30 channels of CD quality music and simulcasts the audio portion of pay cable networks, such as HBO and Showtime, as a premium cable service. At this time, the largest of these digital radio networks reaches approximately 1 million cable homes.

VCRs became an important part of the home entertainment market during the 1980s. The proportion of households with VCRs increased from 14% in 1984 to 77% in 1991. Gross expenditures on the sale and rental of videocassettes went from $1.4 billion in 1984 to $9.6 billion in 1989.

VIII. Program offerings

Radio station formats have become highly specialized and continue to multiply; radio networks have multiplied and grown robustly; music is the predominant radio content.

Increased competition has forced stations to tailor their programming to more segmented audiences and demographics. In the mid-1970s, Katz Radio Group, a leading industry rep firm, placed stations into 8 major format classifications. Today Katz tracks 35 major formats — including 8 that have emerged in the last two years — and approximately two dozen other minor formats.

A few illustrations suggest the extent to which niche programming has developed. Within the Spanish format, for example, there is now Ranchero (Mexican Country), Nortena (Northern Mexican Country), Contemporary Spanish, and Tropical (Salsa). There are also Spanish language News/Talk, Sports, and All-News stations. Within "Album-oriented rock (AOR)/Rock," there is AOR, Classic Rock, Eclectic Rock, Modern Rock/New Wave, Rock Contemporary Hit Radio (CHR)/Rock 40, and Z-Rock (Heavy Metal).

Radio networks (i.e., organizations providing programming on a simultaneous basis to two or more stations) have also grown substantially since 1980. Network revenues have risen 11% annually, from $156 million in 1980 to $432 million in 1990. Networks have also developed increasingly specialized formats as they have grown. In 1984, 9 national companies offered 15 program services; today 33 national companies offer 63 different services. There are also 105 regional networks in operation today. 91% of stations today use network programming to some degree.

As for typical radio content, a 1987 NAB Radio Programming study found that 86% of the average FM hour and 70% of the average AM hour (excluding commercials) was music.

IX. Industry Revenue Growth

Real dollar revenues per station are declining. Revenues had been increasing up until 1988. This trend reflects the continuing growth in the number of stations and the decline in real total revenues.

Radio station industry revenues grew from an estimated $3.1 billion in 1980 to $7 billion in 1990, in current dollars, but less than 4% annually in real terms. Between 1980 and 1985, radio revenues grew 11% annually — more than twice as fast, in real terms, as the Gross National Product (GNP). Between 1985 and 1990, however, radio's rate of growth dropped almost in half to 6%, slower than the economy as a whole.[4] (See attachment 6)

Despite revenue growth that slightly outperformed the economy over the decade, the increase in the number of stations during the same period means that revenue per station grew on a compound annual basis at approximately 3% yearly, in real terms, from 1980 to 1985, and remained virtually unchanged on a compound annual basis between 1985 and 1990.

Revenue per station and income per station in real terms fluctuated over the last three decades. These trends (and those for station profitability below) reflect, to some extent, changes in the general business cycle and election years, including especially the current recession which began in July 1990. (See attachment 7) Both values, however, peaked in 1988 before declining in 1989 and 1990.

In the first three quarters of 1991, reported radio industry revenues dropped by 3%.

From 1980 to 1990, radio's share of the total amount of advertising revenue remained relatively constant, representing 6.9% and 6.8% of all such revenues in those years, respectively. (See attachment 8)

Local advertising's share of total mass media (radio, television and cable television) advertising revenues increased from 38% in 1980 to 40% in 1990. Over this period, local radio advertising's share declined slightly from 18.1%

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[4] These rates of change are compound annual average rates of change. The statement that radio revenues grew 11 percent annually between 1980 and 1985 means that, on average during the period, each year's revenue was 11 percent higher than that of the previous year. This descriptive measure is based on the growth which occurred over the entire period and is not meant to imply that actual revenues increased by this amount every year.

to 17.8%; local television advertising increased from 19.6% to 21.2%; and the cable share grew from 0.1% to 1.1%. (See attachment 9)

Dynamic changes in the nature of the retail business also appear to negatively impact radio revenues. Wal-Mart, for example, is a large and growing discount retailer who buys almost no advertising on radio. Once it enters a market, Wal-Mart typically displaces a number of smaller retailers who did advertise on radio because of its relatively low cost.

X. Profitability

There is a vast disparity between large and small station profitability. Large stations are highly profitable; small stations — which represent the bulk of the industry's operations — lost money, on average, in 1990. While aggregate industry profit has grown modestly since 1980, there has been a dramatic erosion since the election year peak in 1988.

Industry revenue and profit are overwhelmingly concentrated in the small number of large radio stations, while most small stations struggle to remain solvent. The top 50 revenue-producing radio stations, for example, accounted for over 11% of total radio revenue in 1990, and an estimated 50% of total industry profit.

Stations with over $16 million in revenue had an average operating margin of 35% in 1990; stations with between $5 and $6 million in revenue had margins of 26%. (See attachment 10A) Yet radio station operations with less than $1 million in revenue (representing 75% of all operations), on average, lost money in 1990. This stark difference between large and small station performance has perennially characterized the industry, and is consistent with the high-fixed cost nature of the business. (See attachments 10B and 10C)

In addition, while overall industry operating profit (earnings before taxes and interest) has grown at 2.3% compounded annually in real terms from 1980 to 1990 (see attachment 7), dramatic erosions have occurred since the peak in 1988. Since 1988, in current dollar terms, average AM station operating profits have plummeted by 50%; the average FM station decline has been 36%. The recent drop in real revenues and rising programming, sales and general and administrative (G&A) costs, have caused operating margins for the average radio station to decline sharply.

Average operating margins for FM stations, for example, dropped from 12.4% in 1987 to 8.3% in 1990; full-time AM stations fell from 10.1% to 8.1%, and daytime AMs dropped from 9.5% to virtual breakeven. More than half of all radio stations lost money in 1990.

As a result of these profit pressures, 287 radio stations are currently "dark", with 153 (53%) of them going dark in just the last 12 months. It has been reported that radio station trading activity has fallen off in the past year and average station prices have fallen. For example, an average FM sold for $1.6 million in 1991 compared to $2 million in 1990.

XI. Economies from consolidation

The magnitude of potential economies from consolidation appear significant.

NAB data permit a possible estimate of the magnitude of savings if consolidation in the industry were to take place. In 1990, the industry spent an estimated $1.7 billion on general and administrative expenses. If 10% of these costs were eliminated via consolidation,[5] the $170 million in savings would raise industry profit by 30%. If local stations decided to invest half the savings in programming, this would immediately boost per station programming investment — which has grown at only 1% yearly in real terms since 1987 — by 5%. The remaining savings would still raise industry profitability by 15%.

XIII. Quality from consolidation

Group ownership improves the quality of radio service.

Efficiency available through group ownership of broadcast stations can play a significant part in improving the quality of radio service to the public.

Information provided in the record of this proceeding indicates that consolidated radio operations will permit increased expenditures on informational programming, may allow some previously marginal stations to remain on the air, and may provide for activation of unused channels or the improvement of the facilities of existing stations. Group W, which operates all-news stations in New York and Los Angeles, suggests that if the rules permitted it to own additional stations in these markets, it could create Hispanic all-news stations to serve their substantial Hispanic populations. CBS states that its stations, whether news or music formats, provide significant local news and other informational programming and attributes its ability to do so to resources available to it as a group owner. In particular, CBS notes that the 5 FM stations it has acquired during the last decade have all substantially increased their news and informational programming under CBS's ownership.

Evidence from the broadcast television industry indicates that group-owned stations do substantially more news and public affairs programming. Significantly, individual stations maintain editorial autonomy even though they are group-owned.

The newspaper industry is characterized by numerous large newspapers (e.g., The Wall Street Journal, New York Times, Washington Post) that provide high quality news service. This large size is generally necessary to support the resources that provide this level of quality. The newspaper industry is not subject to limits on ownership comparable to those for radio.

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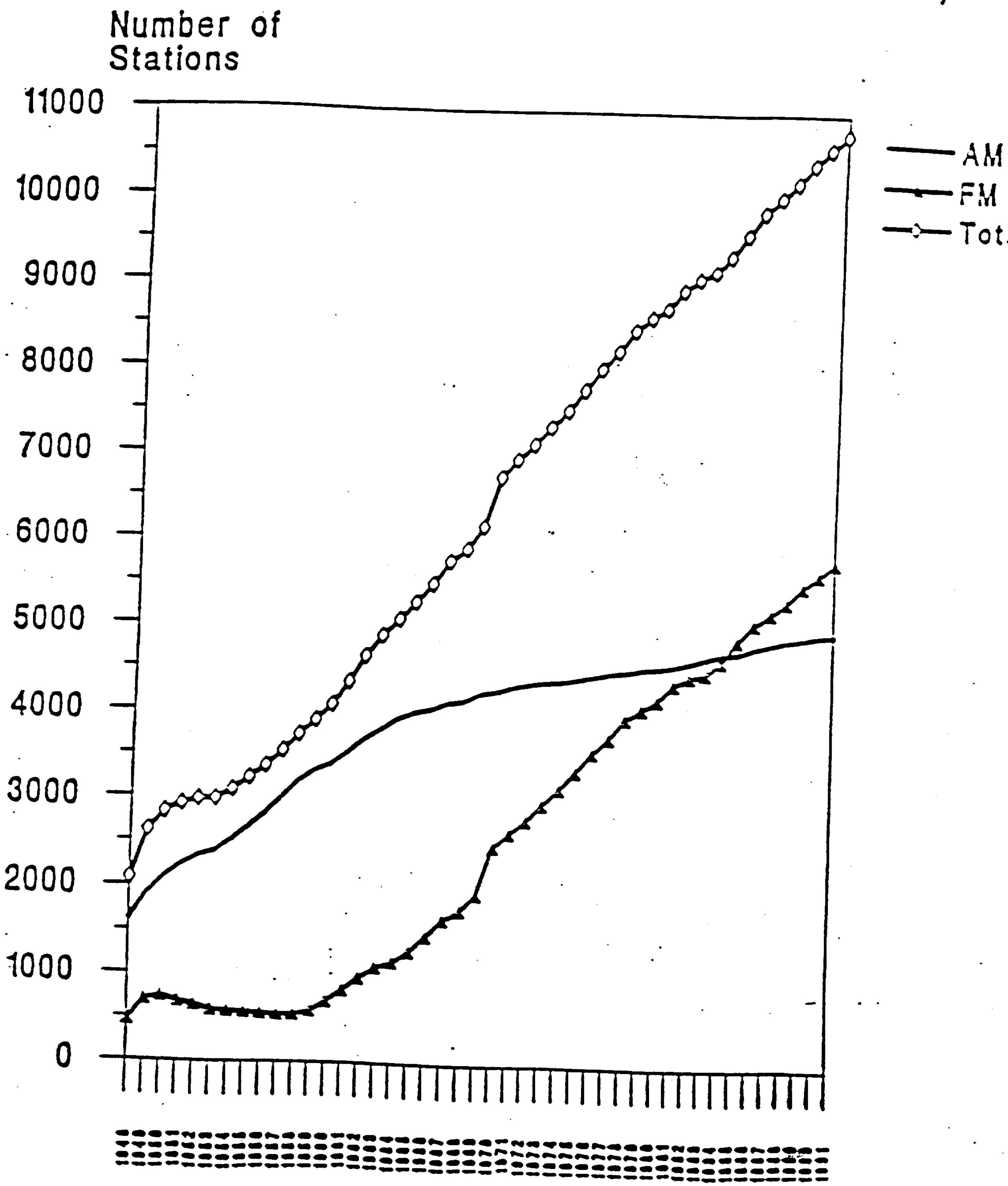
5 NAB data submitted in 1987 indicate that savings in G&A expenses from co-owned, co-located AM/TV and FM/TV stations ranged from 30% to 50%. Savings from multiple ownership of geographically distinct stations would, presumably, be lower.

Attachment 1

On-Air Radio Stations (1948-1991)



Attachment 2

AMERICA'S TOP RADIO GROUP OWNERS BY REVENUE

1990 Rank	Group	Stations	(million) 1990 Revenue	% of Total Revenue*
1	Cap Cities/ABC	18	$232.2	2.6
2	CBS	19	216.9	2.5
3	Westinghouse	17	200.0	2.3
4	Infinity	14	131.5	1.5
5	Cox	12	103.9	1.2
6	Emmis	10	101.9	1.2
7	Bonneville	10	96.2	1.1
8	Gannett	12	91.2	1.0
9	Viacom	10	90.0	1.0
10	Great American	17	87.2	1.0
11	Jacor	12	75.8	0.9
12	Noble	14	73.7	0.8
13	Malrite	10	73.5	0.8
14	Susquehana	15	70.9	0.8
15	Greater Media	12	67.4	0.8
16	EZ	12	62.9	0.7
17	Shamrock (Disney)	12	58.8	0.7
18	Booth/Genesis	14	55.0	0.6
19	Tribune	3	50.0	0.6
	Nationwide	13	50.0	0.6
	Beasley	14	50.0	0.6
22	Cook Inlet	7	47.6	0.5
23	Summit	9	46.6	0.5
24	NewCity	11	46.4	0.5
25	Evergreen	6	45.6	0.5
26	Pyramid	9	41.2	0.5
27	Chase	5	40.3	0.5
28	Clear Channel	15	39.0	0.4
29	Sconnix	7	38.6	0.4
30	Edens	7	37.2	0.4
			cume	27.5%

Source: Duncan's Radio Market Guide 1991

* Total 1990 advertising revenue for radio $8,765,000,000 (TV Factbook p. 336)

1990 HHI for radio ownership = 49 (down from 77 based on 1980 data)

The Herfindahl-Hirschman Index (HHI) is a measure of industry concentration used by the Department of Justice (DOJ) and is based on the market shares (revenues) of the firms in the defined market. Specifically, the HHI is the sum of the squares of the market shares (revenues) of all the participants in the market. When evaluating proposed mergers, DOJ considers an industry unconcentrated if the post-merger level of concentration results in an HHI of below 1000.

Attachment 3

AVERAGE NUMBER OF COMMERCIAL BROADCAST OUTLETS
IN DIFFERENT MAJOR MARKET CATEGORIES

Markets	TV Stations	AM Stations	FM Stations	Total Radio */
1-25	13	28	22	50
26-50	9	19	14	33
51-75	8	14	13	27
76-100	7	12	11	23
101-125	6	8	9	17
126-150	6	8	10	18
151-175	4	6	8	14
176-200	3	4	5	9
201-209	2	3	4	7

Sources: Data compiled from 1991 Broadcasting Yearbook, pp. B-470-476, and Arbitron 1991 ADI Market Guide.

*/ These numbers include only commercial stations which meet minimum audience reporting criteria to be listed within the Metro area. Therefore, noncommercial stations as well as stations that have a nonreportable audience share within the Metro area are not included. Also excluded are stations located outside designated Metro areas. Thus, these numbers represent an undercount of the actual number of radio stations.

Attachment 4

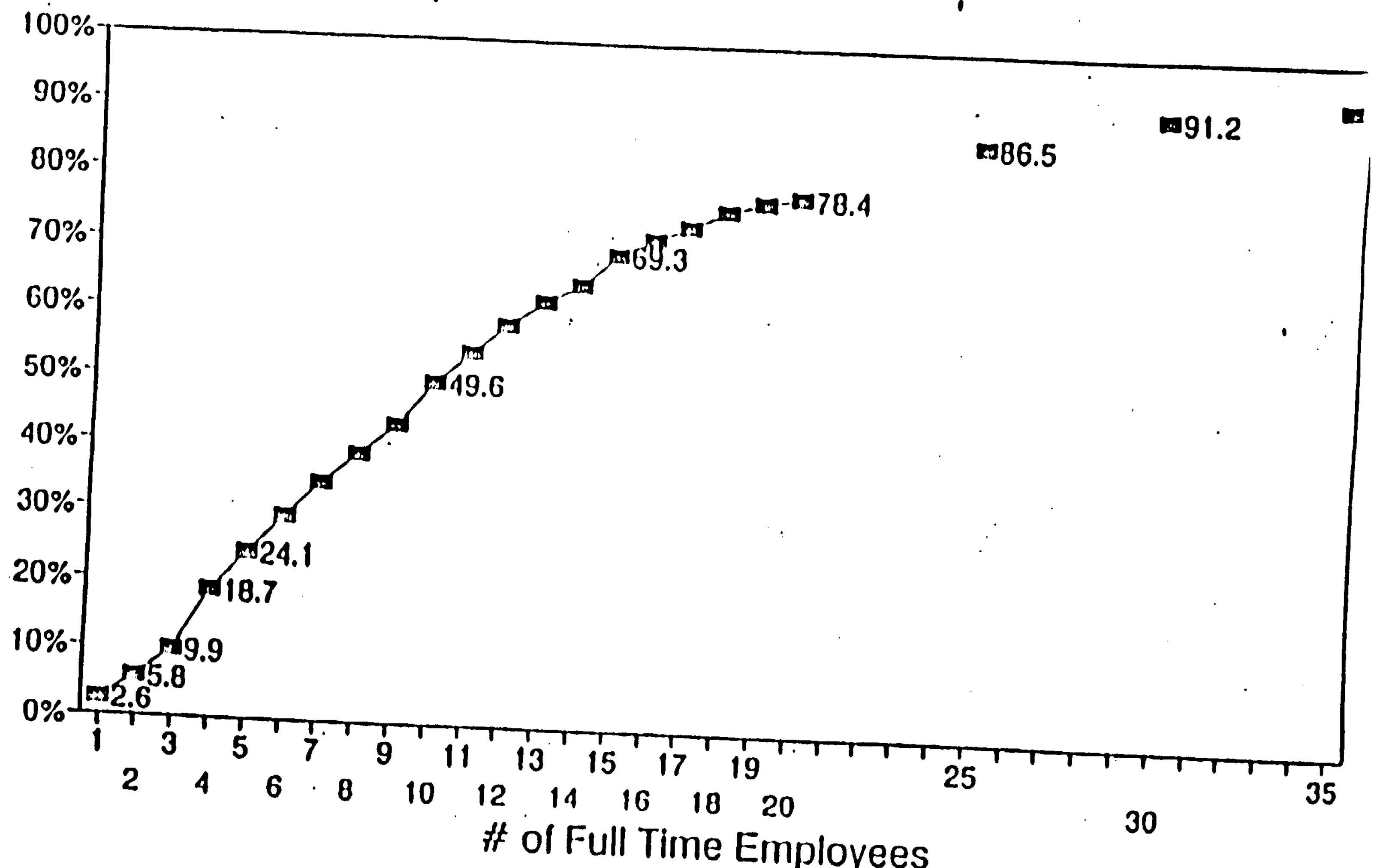
NUMBER OF RADIO STATIONS IN SELECTED MARKETS, 1939-1990.

Market	1990	1979	1969	1959	1949	1939
Pittsburgh	47	35	31	22	19	6
Cincinnati	25	25	21	13	8	5
Birmingham	31	20	17	13	10	3
Las Vegas	26	13	11	6	3	0
Austin	23	13	11	7	4	2
Sarasota	13	10	9	4	3	1
Lincoln	12	11	8	4	3	1
Canton	11	9	9	6	4	1
Eau Claire	11	8	7	5	4	1
Erie	13	8	6	5	4	1
Tyler	11	7	6	4	2	1
Wichita Falls	8	6	5	3	3	1

Source: Inquiry and Proposed Rulemaking, Deregulation of Radio, BC Docket No. 79-219, October 5, 1979, Table 2 and 1991 Broadcasting Yearbook, p. B-470-76.

Attachment 5

Cumulative Distribution-Radio Stations By Full Time Employees



Source: 1991 NAB/BCFM Radio Financial Survey

Attachment 6

COMPOUND ANNUAL RATES OF GROWTH: RADIO STATION REVENUE VS. GNP 1980-1990
(Nominal and Real Percent)

	1980-90		1980-85		1985-90	
	Nom.	Real	Nom.	Real	Nom.	Real
Radio Revenue Overall	8.5	3.6	11.0	5.9	6.1	2.0
Radio Revenue Per Station	6.6	1.7	9.0	3.3	4.2	0.2
GNP	7.1	2.3	8.0	2.4	6.4	2.3

Source: McCann-Erickson, Inc.; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics

Attachment 7

RADIO FINANCIAL DATA — 1960-1990

Year	(millions of dollars) Revenue */	Income**/	No. of Com'l Sta.	Rev/Sta. (000)	Rev/Sta. in 1990 $	Income per Sta. (000)	Income per Sta. in 1990 $
1960	597.7	45.9	4,134	145	629	11	49
1965	792.5	77.8	5,496	144	601	14	58
1966	872.1	97.3	5,748	152	607	17	68
1967	907.3	80.8	5,950	152	586	14	54
1968	1,023.0	113.4	6,180	166	613	18	66
1969	1,085.8	100.9	6,503	167	596	16	57
1970	1,136.9	92.9	6,519	174	581	14	47
1971	1,258.0	102.8	6,659	189	609	15	48
1972	1,407.0	134.3	6,875	205	640	20	63
1973	1,501.9	148.6	7,027	214	629	21	62
1974	1,603.1	131.1	7,068	227	597	19	50
1975	1,725.0	138.2	7,230	239	582	19	46
1976	2,019.4	228.0	7,370	274	623	31	70
1977	2,274.5	301.3	7,514	303	658	40	87
1978	2,635.3	378.3	7,653	344	689	49	98
1979	2,873.6	321.4	7,714	373	665	42	75
1980	3,206.0	280.2	7,871	407	647	36	57
1987	5,774.0	632.0	8,943	646	742	71	82
1988	6,267.0	867.0	9,050	692	787	96	109
1989	6,670.0	869.0	9,223	723	761	94	99
1990	7,007.0	560.0	9,435	743	743	59	59

Source: 1960-1980 data are from FCC Annual Financial Reports and are based on the universe of stations; 1987-1990 data are interpolations of McCann-Erickson data and the NAB/BCFM Radio Financial Reports for those years. The NAB data are based on a weighted sample of radio stations.

*/ Gross advertising revenues plus all other broadcast revenue less commissions. 1960-1980 data includes network revenue; 1987-1990 does not include network revenue.

**/ Before federal income tax. Prior to 1973, income data do not include interest. Beginning with 1973, income data include interest.

Attachment 8

ANNUAL VOLUME OF ADVERTISING IN THE UNITED STATES
(in millions of dollars)

Medium	1980	1984	1985	1986	1987	1988	1989	1990
Radio	3,702	5,817	6,490	6,949	7,206	7,798	8,323	8,726
(% of total)	(6.9)	(6.6)	(6.8)	(6.8)	(6.6)	(6.6)	(6.7)	(6.8)
Television	11,416	19,310	20,298	22,026	22,941	24,490	25,367	26,616
(% of total)	(21.3)	(22.0)	(21.4)	(21.6)	(20.9)	(20.7)	(20.5)	(20.7)
Cable TV	53	538	724	855	963	1,196	1,527	1,789
(% of total)	(0.1)	(0.6)	(0.8)	(0.8)	(0.9)	(1.0)	(1.2)	(1.4)
Newspapers	14,794	23,522	25,170	26,990	29,412	31,197	32,368	32,281
Magazines	3,149	4,932	5,155	5,317	5,607	6,072	6,716	6,803
Farm Pub.	130	181	186	192	196	196	212	215
Direct Mail	7,596	13,800	15,500	17,145	19,111	21,215	21,945	23,370
Bus. Pub.	1,674	2,270	2,375	2,382	2,458	2,610	2,763	2,875
Outdoor	578	872	945	985	1,025	1,064	1,111	1,084
Yellow Pages	2,900	4,900	5,800	6,500	7,300	7,781	8,330	8,926
Misc.	7,558	11,678	12,107	12,799	13,431	14,531	15,271	15,955
Total	53,550	87,820	94,750	102,140	109,650	118,050	123,930	128,640

Source: Robert J. Coen, McCann-Erickson Inc.

Attachment 9

ANNUAL VOLUME OF LOCAL RADIO, TV AND CABLE TV ADVERTISING COMPARED TO TOTAL ADVERTISING ON THESE MEDIA

Year	Local Radio Advertising ($mil.)	(%)	Local TV Advertising ($mil.)	(%)	Local Cable Advertising ($mil.)	(%)	Total Local Advertising ($mil.)	(%)	Total Adver. ($mil.)
1980	2,740	18.1	2,967	19.6	8	0.1	5,715	37.7	15,171
1981	3,121	18.3	3,368	19.7	17	0.1	6,506	38.1	17,076
1982	3,492	18.1	3,765	19.5	32	0.2	7,289	37.8	19,306
1983	3,876	17.6	4,345	19.8	50	0.2	8,271	37.6	21,969
1984	4,300	16.8	5,084	19.8	80	0.3	9,464	36.9	25,665
1985	4,790	17.4	5,714	20.8	130	0.5	10,634	38.7	27,512
1986	5,178	17.4	6,514	21.8	179	0.6	11,871	39.8	29,830
1987	5,463	17.6	6,833	22.0	203	0.7	12,499	40.2	31,110
1988	5,955	17.8	7,270	21.7	254	0.8	13,479	40.3	33,484
1989	6,300	17.9	7,612	21.6	330	0.9	14,242	40.4	35,214
1990	6,609	17.8	7,856	21.2	396	1.1	14,861	40.0	37,131

Source: Robert J. Coen, McCann-Erickson Inc.

Attachment 10A

1990 OPERATING MARGIN — ALL STATIONS AVERAGE BY VOLUME
(Percent of Sales)

Station revenue ($)	Operating margin (%)
Over 16 million	35.1
13-16	28.5
10-13	32.2
8-10	23.6
7-8	12.9
6-7	24.1
5.5-6	26.8
5-5.5	26.1
4.5-5	8.8
4-4.5	20.4
3.5-4	5.0
3-3.5	0
2.5-3	8.4
2-2.5	-1.3
1.5-2	3.2
1-1.5	-10.9
900,000-1 million	-10.9
800-900,000	-8.7
700-800,000	-1.5
600-700,000	-11.5
500-600,000	-2.7
400-500,000	-1.8
300-400,000	-6.7
200-300,000	-4.6
100-200,000	-4.7
Less than 100,000	-8.5

Note: "Operating margin" equals earnings before interest and taxes, expressed as a percent of sales.

Source: NAB Radio Financial Report, 1991. These financial data are based on a sample of radio stations.

Attachment 10B

1988 OPERATING MARGIN — ALL STATIONS AVERAGE BY VOLUME
(Percent of Sales)

Station revenue ($)	Operating margin (%)
Over 15 million	36.7
12-15	35.0
9-12	29.7
7-9	23.6
5-7	24.3
3-5	18.7
2-3	8.8
1-2	1.7
750,000 - 1 million	2.8
500-750,000	-0.4
250-500,000	-2.4
Less than 250,000	-0.2

Note: "Operating margin" equals earnings before interest and taxes, expressed as a percent of sales.

Source: NAB Radio Financial Report, 1991. These financial data are based on a sample of radio stations.

Attachment 10C

1986 OPERATING MARGIN — ALL STATIONS AVERAGE BY VOLUME
(Percent of Sales)

Station revenue ($)	Operating margin (%)
Over 14 million	34.2
10-14	26.4
5-10	23.7
3-5	16.7
2-3	7.8
1-2	4.2
750,000 - 1 million	-0.7
500-750,000	-6.6
250-500,000	-6.2
Less than 250,000	-21.7

Note: "Operating margin" equals earnings before interest and taxes, expressed as a percent of sales.

Source: NAB Radio Financial Report, 1991. These financial data are based on a sample of radio stations.